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**Statement of Congressman Peter Visclosky**  
***Public Meeting on the Draft Environmental Impact Statement for Surface Transportation Board***  
***Finance Docket No. 35087: Canadian National Railway Company and Grand Trunk***  
***Corporation Control—EJ&E West Company***

**September 10, 2008**

I would like to thank the Surface Transportation Board's (STB) Section of Environmental Analysis (SEA) for hosting today's public meeting and I would like to thank the residents and elected officials of Northwest Indiana for their attendance at today's meeting.

First off, I would like to commend the STB for their decision issued on Monday, which denies Canadian National's (CN) request to expedite the procedural schedule established by the Board and issue a Final Decision in the transaction by October 15, 2008, regardless of the status of the ongoing Environmental Impact Study. This filing was a blatant and shameless attempt by CN to avoid the environmental review process established by the National Environmental Policy Act and the Board deserves recognition for making the right decision.

Since CN first announced its intention to acquire the EJ&E which will result in a three-fold increase in train traffic in the fall of 2007, I have sincerely tried to find a silver lining in the transaction for the people of Northwest Indiana. After months of fruitless searching and after reading the Draft Environmental Impact Statement (DEIS), I have to concede that there is not one benefit to be found. There is no economic benefit to the region. The DEIS states that the transaction will result in a loss of nearly 300 jobs in the region. There is no energy or environmental benefit. The DEIS states that this transaction will not take trucks off the road and will result in the burning of hundreds of thousands of more gallons of diesel and gasoline. There is no public safety benefit. The DEIS states that this transaction will increase the likelihood of a train accident on the EJ&E line by 28 percent, which our area can ill afford, given that six people in Lake County have already lost their lives in crossing collisions in 2008. There is no benefit to public transportation. The DEIS does not even address the potential expansion of the South Shore Line in Indiana, which is a project that would truly benefit the economy and environment of Northwest Indiana.

While the DEIS identifies some of the major environmental detriments that will result from this acquisition, it in no way provides matching solutions. The Mitigation section of the 9-inch thick, multiple-volume DEIS is a meager 32-pages, and is sorely lacking in detail and real relief for the citizens on the EJ&E line. Further, when the DEIS attempts to address a problem, the SEA merely passes the buck to local authorities and suggests that they enter into negotiations with CN. According to local and state officials, to this point CN has been insolent at the bargaining table and all good-faith efforts to work with them have produced nothing of substance. Already, two major projects in our region are hampered by negotiations with freight railroads: the expansions of the

South Shore Line and the Gary/Chicago International Airport. And while this summer, after seven years of negotiations, the airport finally announced that it had reached a preliminary deal with the railroads, I do not have to caution anyone that preliminary agreements with railroads often are not worth the paper they are written upon. I see no reason to believe that the DEIS will compel CN to alter their behavior and enter into substantive negotiations with the affected communities.

CN is quick to say state that taxpayers should foot the bill for this necessary mitigation, but the fact remains that both the state and federal governments are operating under a budget deficit and have been forced to cut services. The taxpayer should not be held financially responsible for mitigation expenses, which in this transaction could be in the hundreds of millions of dollars.

So, as it currently stands, this transaction will have absolutely no positive impacts on the communities on the EJ&E, and we are expected to merely accept that our lives will be dramatically altered for no reason other than it is good for CN's bottom line.

The SEA's mission is to ensure adequate consideration of environmental factors in the STB's decision-making process. Given the inadequacies of the DEIS that they produced, I would say that the SEA has failed in this mission. I urge the SEA to greatly strengthen the DEIS and impose mitigation conditions on CN that will ensure the quality of life in Northwest Indiana. Further, it is imperative that in the Final EIS that the SEA analyze this transaction's effect on the expansion of the South Shore Line. Its omission from the DEIS demonstrates the haphazard manner in which the DEIS was thrown together.

In addition, I would like to take this time to request that the SEA hold an additional hearing in Northwest Indiana to allow the residents of the region ample opportunity to express their concerns with the impact of this transaction. Further, the SEA provided only a 60-day public comment period for the DEIS. Given the breadth and magnitude of the DEIS, I strongly urge the SEA to extend the public comment period by a minimum of 30 days to give the impacted parties adequate time to evaluate the DEIS. To that end, I would like to submit a letter from myself, Senator Lugar, Senator Bayh, and Governor Daniels, requesting that the STB take these actions.

I look forward to continuing to work with community leaders in Indiana to hopefully prevent this transaction from occurring, and at the very least alleviate the burden the affected communities bear. Thank you again for the opportunity to share my remarks with you today on this very important matter.